GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:4345
ANSWERED ON:07.05.2007
NOTICES ISSUED TO DRUG COMPANIES
Hasan Chaudhary Munawwar

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

to the reply given to the Unstarred Question No. 83 dated February 26,2007 regarding notices issued to drug companies and state:

(a) the name of the drug companies served with notices of overcharging by the National Pharmaceutical Pricing Authority (NPPA) alongwith name of medicines, price overcharged in comparison to the prices fixed during the last three years;

(b) the amount of liability to each company; and

(c) the details of drug companies who have gone in litigation and the issues rasied by them in different courts alongwith the details of the issues lying pending in each court?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HAND1QUE)

(a) to (c): National Pharmaceutical Pricing Authority (NPPA) regularly takes action against pharma companies who do not implement the prices fixed/notified by NPPA under the provisions of Drugs (Prices Control) Order, 1995 (DPCO.95) and this is a continuous and ongoing process. Since, inception in Aug1 1997, NPPA has raised a total demand of Rs.1409.81 crores for recovery towards overcharged amount in 415 cases, under the provisions of DPCO` 1995 read with Essential Commodities Act` 1955. NPPA has recovered Rs.100.10 crores (upto 30.4.2007) from the defaulting companies. NPPA continues to take appropriate action regularly for recovery of the overcharged amount.Since inception of NPPA (August 1997) till date, NPPA is handling 70 court cases filed by Pharma companies against NPPA/Union of India in various parts of the country with respect to recovery of overcharged amount. An estimated overcharged amount of Rs.1318.64 crores is being contested by the said Pharma units against which NPPA has recovered Rs.81.14 crores (upto 30.4.2007). In some cases the recovery is affected due to orders from the Hon`ble High Courts and Hon`ble Supreme Court of India and cases presently are subjudice in Courts.